(c) if not, the reasons for failure of exploiting the sector which has tremendous potential?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAY): (a) to (c) In order to assist the farmers to get higher competitive prices for their produce, the agro processing industries to get quality and timely availability of raw material, the Ministry proposes to implement a revamped Scheme in the 11th Plan for Infrastructure Development under which, it will give financial assistance for setting up of Mega Food Parks, cold chain infrastructure, value added centres and packaging centres. The Mega Food Park Scheme will provide backward and forward linkages as well as reliable and sustainable supply chain. The Cluster based demand driven approach will provide linkages from farm to market with linkages from local to regional level through Primary Processing Centres, Collection Centres, Strategic Distribution Centre-cum-Cold Chain at critical locations - having Controlled Atmosphere storage and distribution centres were large quantities can be stored and supplied to distribution centres for fresh sale and to processing industries for processing. The emphasis will be on building strong linkages with agriculture and horticulture, enhancing project implementation capabilities, increased involvement of private sector investments and support for creation of rural infrastructure to ensure a steady supply of good quality agri horticulture produce.

The Ministry of Food Processing Industries under is Plan Scheme for Technology upgradation/Modernization/Establishment of Food Processing Industries, extends financial assistance in the form of grant-in-aid @ 25% of the cost of Plant & Machinery and Technical Civil works subject to a maximum of Rs. 50 lakhs in general areas or 33.33% subject to a maximum of Rs. 75 lakhs in difficult areas to implementing agencies/entrepreneurs for setting up/modernization/technolgy upgradation of food processing industries. In the Eleventh Plan, it has also been proposed to continue assistance in the form of grant to private sector/ public sector organizations through schemes for setting up of Food Testing Labs, Implementation of Quality Systems such as HACCP, ISO 9000, GHP and GMP Practices, Promotion, of Research and Development, Capacity building and Human Resource Development and other promotional activities with higher levels of assistance.

The process of mergers and acquisitions of companies have to be decided by the companies themselves on the basis of the comparative strengths and complementarities of the entities.

Wastage of fruits

†630. SHRI HARISH RAWAT: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) the total quantum of processable fruits in the country and the total quantum of fruits, out of this, which perishes due to non-utilization;

(b) whether any effective policy has been framed by Government for utilization of such, fruits that perish in absence of processing facilities; and

(c) if so, the total quantity of the produced fruits targeted to be processed in the country by the end of the Eleventh Five Year Plan?

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†Original notice of the question was received in Hindi.

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAY): (a) and (b) As per data received from the Ministry of Agriculture, the total estimated production of fruits for the year 2005-06 is 584.14 lakhs M.T. In accordance with the report of M/s Rabo India Finance Pvt. **Ltd.,** wastage of fruit and vegetables is estimated to be of the order of 22% occurring at various stages of handling after harvesting like inadequate post - harvest infrastructure, lack of cold chain facilities, transportation, proper storage and processing facilities etc.

For promotion of fruit and vegetable processing industries, financial assistance is provided by Ministry of Food Processing Industries in the form of grant under the scheme of Technology Upgradation/Modernisation/Establishment of food processing industries for setting up of new unit or for expansion of existing fruits & vegetables processing unit. Under this Scheme, MFPI extends financial assistance to food processing units in the form of grant-in-aid @ 25% of the cost of Plant and Machinery and Technical Civil Works subject to maximum of Rs. 50.00 lakhs in general areas or 33.33% subject to maximum of Rs. 75.00 lakhs in difficult areas. In order to ensure speedy disbursement of the financial assistance, the Ministry has decided to decentralize the disbursement procedure through banks under the Scheme of setting up/modernization/expansion of food processing industries w.e.f. 01.04.07. Now the applicants will be able to avail of grant/assistance through the neighbourhood banks which have already appraised the project and provided loans to them.

Ministry of Food Processing Industries (MFPI) has submitted a scheme to Planning Commission, which envisages providing financial assistance for setting up of thirty Mega Food Parks in the country during 11th Five Year Plan period. The scheme which is project oriented, aims to provide a mechanism to bring together farmers, processors and retailers and link agricultural production to the market so as to ensure maximization of value addition, minimization of wastages and improving farmer's income. Mega Food Park envisages a well-defined agri/horticultural-processing zone containing state of the art processing facilities with support infrastructure and well established supply chain. The primary objective of the scheme is to facilitate establishment of an integrated value chain, with processing at core and supported by requisite forward and backward linkages. Under the scheme, financial assistance in the form of grant-in-aid upto 50% of the project cost in general areas and upto 75% of the project cost in special category states subject to a maximum of Rs. 50.00 crore or the cost of approved facilities, whichever is lower, has been envisaged for all implementing agencies.

(c) Vision 2015 on Food Processing Industries adopted by the Government envisages trebling the size of the processed food sector by increasing the level of processing of perishables from 6% to 20% and level of processing of fruits and vegetables from 2.2% to 15% by the end of year 2014-15.

Share of Indian food processing industry in the international market

†631.SHRI JAI PARKASH AGGARWAL: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether the share of Indian food processing industry in the international market is ansatisfactory;

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†Original notice of the question was received in Hindi.